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ABSTRACT

In 1971 the author conducted a study of the provincial government policies affecting the provision of grants to school divisions to assist in meeting the operating costs of education. The study was jointly sponsored by the provincial department of education and the Manitoba Association of School Trustees (MAST). During the subsequent five years, some changes took place in the policies and positions of three important educational organizations--the Manitoba Teachers Society, the Manitoba Association of School Superintendents, and MAST--and in government policies. This paper seeks relationships between the review of policies and the change in policies and positions of the organizations and the government. First, the policy review is described, emphasizing findings, recommendations, and recent shifts in policies of the educational organizations. Then, the current situation is described. The concluding section traces the influence of the research study on policy shifts. The data suggest that the research study did have some influence on government policies. This influence is best characterized as indirect, uncertain, relatively ineffective, and, above all, delayed. (Author/IRT)

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POLICY RESEARCH AND EDUCATIONAL POLICY FORMATION:

A CASE STUDY

Provincial Finance Policies in Manitoba, 1971-1976

Peter Coleman

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ABSTRACT

Changes in provincial policies for the financing of education in Manitoba from 1971 to 1976 are reviewed, in order to identify the possible influence of a research study carried out in 1971-1972 on provincial policies. There have been policy shifts in which a new objective, the equalization of the financial power of school divisions, has received some emphasis. This is consistent with the recommendations of the study.

But there is no indication of direct influence. Rather, the study influenced the policies of some important groups, and their influence was somewhat effective in changing government policies. Additionally, the shifts which occurred were small and delayed, so that the initial policy objective was never achieved: the gap in financial power, measured by spending, has widened.

Three general propositions on policy research and policy formation, Lindblom's notion of "incrementalism", the wide distribution of influence in policy formation, and the accommodation between the demands of representation and efficiency, all receive some support from the case study. Additionally, these notions suggest some reasonable expectations which policy researchers might hold for the outcomes of the policy-making process.

In Manitoba, in 1971, provincial government policies affecting the provision of grants to school divisions to assist in meeting operating costs of education had been virtually unchanged since the introduction of unitary (consolidated) school divisions in 1967. A review of these policies and their effects was conducted by the writer in 1971-1972, jointly sponsored by the Department and the Manitoba Association of School Trustees.

During the subsequent five years, some changes took place in the policies and positions of three important educational organizations in the province, the Manitoba Teachers' Society, the Manitoba Association of School Trustees, and the Manitoba Association of School Superintendents. There were also changes in government policies. This paper will seek relationships between the review of policies and the changing policies and positions of the organizations, and of the government. The approach will be first to describe the policy review, emphasizing findings and recommendations, and recent shifts in policies of the educational organizations. Then, the current situation will be described. The concluding section will attempt to trace the influence of the research study on policy shifts. The approach is in essence that of Kogan's major study (1975).

A. The Situation in 1971: Provincial Policies

The major provincial operating grant to school divisions in 1971 was established by Manitoba Regulation 143/70, filed September 21, 1970. It provided a formula for determining the number of "authorized teachers" in a school division. In elementary grades (K-6) average enrollment was divided by 28; in secondary

grades average enrollment was divided by 23. The grant paid was established by a grid, resembling a typical salary grid, in which years of experience and academic qualifications determined placement and consequently the grant paid. Grant amounts were arbitrarily determined and fixed in the regulation.

Because of its importance, the effect of this grant is worth examining in detail. In the 1970 budget year, Manitoba school divisions expected to employ 10,591.2 teachers, of whom 9,506.5 were "authorized", i.e. covered by grant (MAST, 1971). In the 1971 budget year, they expected to employ 10,730.6 teachers of whom 9,857.6 were authorized (MAST, 1972). In 1970, the grant made a contribution to the salaries of 89.8% of teachers; in 1971, the grant made a contribution towards the salaries of 91.9% of the teachers employed in unitary school divisions in the province.

However, the contribution was limited: in 1971, the median salary of a degreed teacher with no experience was $7,500 (MAST, 1972); the grant contribution $5,500, or 73.3% of this. All in all, the grant paid only about 67% of teacher salary costs in 1971 (calculated; exact data not available).

Other, and relatively minor miscellaneous grants, included grants for administration, supplies, maintenance, and library, reference and text-books (MTS, 1970). The third class of grants included transportation capital costs (bus purchases).

In 1972, the first year for which these data have been made available, the total Foundation Program, i.e. operating grants to school divisions, amounted to $110,948,378. Of this, 63.8% was allocated via the teacher salary grants; 27.7% via miscellaneous grants for supplies and materials, library and textbooks, and

maintenance costs; and 8.5% via a grant for transportation operating costs (Manitoba Department of Education, 1977).

This pattern is probably a reasonable representation of the 1971 situation, since no changes were made in the grant system between 1971 and 1972 (Manitoba Department of Education, 1977). The Foundation Program represented 70.4% of operating costs (MAST, 1972) with the balance being raised by local taxpayers.

Briefly, then, the teacher salary grant was the major policy instrument for providing provincial support to local educational authorities, constituting roughly 67% of real teacher salary costs in 1971. The impact of this form of grant was to provide incentives to local authorities to limit teacher employment and maintain high pupil-teacher ratios, to bargain hard to keep salary levels down, and to limit total expenditures, because the grants were fixed (more or less) at 1971 levels, i.e. 70% of total expenditures. Any budget increase in 1972 would necessarily come from local taxpayers. The ability to pay local property taxes would become an increasingly important determiner of expenditure levels, as costs rose.

B. The Situation in 1971: Policy Statements of Three Educational Organizations.

The three organizations with both a close interest in, and some record of policy positions on, provincial financing of education are the Manitoba Teachers' Society, the Manitoba Association of School Trustees and the Manitoba Association of School Superintendents. The first of these had a very clearcut set of policy positions, largely because of a comprehensive study of the nature and effects of provincial policies conducted in 1969 by Professor Brock Rideout, O.I.S.E., Mr. Wilf Brown, O.I.S.E., and Mr. Bob Gordon, then Associate General Secretary of the Society (MTS, 1970).

Amongst other issues, the Manitoba Teachers' Society recognized the difficulties in the teacher salary grant (summarized above):

> "The major inadequacies in the plan stem from the fact that the province has not made annual adjustments to the plan to keep it realistic in terms of unavoidable increases in the unit cost of education. The plan was most equitable in its first year - 1967 - and is least equitable in 1970. The further the teacher-pupil ratios and dollar amounts in the formula and schedule fall behind the actual expenditure figures of a board of average wealth, the greater the inequities as between the relatively poorer and relatively wealthier boards' (M.T.S., 1970, p.88).

The Society was also concerned with the general relationship between expenditure levels and grants, and recommended that "the sum of the foundation grants for all unitary divisions be equal to between 85 and 90 per cent of the expenditures of those divisions in each future year" (M.T.S., 1970, p.89).

A proportion of the Foundation Program funds (30% in 1969) had been raised by the province by means of a Foundation Levy on property. The Society recommended that this proportion be reduced in stages to 20%, thus allowing local authorities to raise more money locally without causing additional pain to local property tax payers.

In addition to these policy recommendations, the M.T.S. provided a context of general priorities for education in Manitoba, of which one item is particularly important here:

> "The Provincial Government should take immediate steps to provide greater equality of educational opportunity, particularly for those children who come from low income sectors of society and for thosewho belong to an ethnic, cultural or racial minority in which the language of the home is not the language of the school" (M.T.S., 1970, p.161).

The Society warned against equating "a system of fiscal equity with a system of educational equity" (p.164). In the finance study, this concern is perhaps expressed in the issue of the fiscal capability of some rural school divisions to hire well-qualified teachers, in view of their relatively low balanced assessment per teacher, and hence low ability to raise money by local property taxes (M.T.S., 1970, pp.59-61). However, none of the recommendations deals specifically with

this problem of differential financial power between school districts.

The policy positions of the other educational organizations are far less well articulated. The Manitoba Association of School Trustees had completed and published in 1971 the first of a series of descriptions of school division budgets in Manitoba. These documents are essential data for research, because they provide the only comparative and longitudinal data on educational finance in the province. However, the first study did not result in a comprehensive and consistent position paper. The positions which follow are drawn from the finance study (M.A.S.T., 1971) and a series of convention resolutions collected in Coleman (1971).

With regard to the teacher salary grant, the finance study concludes that the operational costs of the school systems were "almost completely determined by the teacher salary bill" (M.A.S.T., 1971, p.99), emphasizing the importance of this grant and its level. In 1968, the annual convention voted for Resolution 22, "That the Grant Schedules for teachers' salaries be increased". This position was clearly not very strongly advocated, since no further reference occurs in 1969, 1970 or 1971 resolutions.

The more general issue of the relationship between grants and expenditure levels is frequently mentioned. In the finance study, a general recommendation proposes "That the Foundation Program be updated to cover a greater portion of the cost of a basic education in Manitoba" (M.A.S.T., 1971, p.101).

Proposals to increase specific grants occur frequently (twelve times in the 1968, 1969 and 1970 conventions), and other resolutions propose a "single grant made available to each school board for allocation by the board in accordance with the needs of the school system" (Resolution No.8, 1970). This echoes Resolution No.3,

1969, which recommends that "the existing subdivided grant structure be replaced by a lump sum grant covering the basic cost of the Foundation Program".

Clearly there was agreement between M.T.S. and M.A.S.T. on the need for updating grants at frequent intervals, but the M.T.S. emphasis was on a continuation of the teacher salary grant as the central feature of the system. The M.A.S.T. position was not supportive of this grant, preferring a single grant towards all operating costs.

With regard to property taxes, there was again some concurrence: M.A.S.T., in the finance study, asserted that "while it believes there must be taxation on local property, the existing level is much too high" (1971, p.101). But the M.A.S.T. position is influenced by a concern for the situation of local authorities with low taxing ability which is, as has been pointed out, only minimally a concern of the Society. Three related resolutions are given in full:

> "That this convention petition the Department of Education to adopt a new formula for low-assessed divisions which will increase the foundation grants to these divisions and enable them to compete with other divisions in the standard of education provided."
>
> Resolution No. 7, 1969

> "That the Manitoba Association of School Trustees approach the Manitoba Government to proceed with an immediate revision of the School Tax Levy on property owners toward more equitable distribution."
>
> Resolution No. 7, 1970

> "That while the Manitoba Association of School Trustees believes that there should be some alleviation of property taxes collected for education purposes; and while the Manitoba Association of School Trustees believes that some method of tax collection on an ability to pay basis needs to be initiated; that this convention of the Manitoba Association of School Trustees reaffirms its basic belief in the philosophy of some method of local tax collection for local education."
>
> Resolution No. 17, 1970.

This difference in emphasis is almost certainly related to the different level of commitment to local autonomy, and hence of the need to assist financially weak school divisions. The Teachers' Society Priority No. 4 reads:

> "The Provincial Government should make an in-depth study of the matter of local autonomy in education and develop a policy which has its prime objective the improvement of the quality of education for all Manitoba children" (M.T.S., 1970, p.155).

The discussion makes clear that local autonomy is not regarded as a goal in itself: "The ultimate test which must be applied is the quality of education. The mix of local and provincial responsibility must be such that the quality of education is the best that is attainable with the resources available" (M.T.S., 1970, p.157). The theme of equality of opportunity and local autonomy as opposing values is common in discussions of educational finance; however perhaps the best discussion of this issue concludes:

> "Some argue simplistically that equality of educational opportunity is flatly inconsistent with local authority. We are convinced that this supposed antithesis between equality and subsidiarity is overdrawn: that both values can be preserved if only one is willing to struggle with the complexities and fine tuning required of any balanced system "(Coons, Clune and Sugarman 1970, p.22).

The third educational organization, the Manitoba Association of School Superintendents, has rarely made policy statements, for a variety of reasons, and no statement exists for the period under consideration. In general, however, one could assume some congruence between the views of Superintendents and convention resolutions of the Manitoba Association of School Trustees, since Superintendents attend this convention, and often discuss resolutions with trustees.

In essence, the position in 1971 was that the educational organizations approved of the existing grant mechanisms, but wanted increases in levels in existing grants, and lower levels of local taxation. A very brief review of the impact of the grant system, comparing British Columbia and Manitoba, carried out in 1971, arrived at the following conclusions:

> "Its introduction had stimulated local spending (or at least allowed it).

> In 1956, the net operating cost per pupil was $321.00 per annum. By 1970 this had risen to $564, an increase of 76%.
>
> The relatively low levels of qualifications and experience of Manitoba teachers (by comparison with those in British Columbia) allowed Manitoba to operate quite economically, at operating costs per student only 82% of those in British Columbia. However, Manitoba teachers would draw larger salaries simply by getting older. Hence educational costs in Manitoba are due to rise, and rise sharply, in the next few years. This rise will be in addition to general inflation, which will presumably have the effect of moving the teachers' salary schedules upward independently. The majority of this rising cost is uncontrollable, although some portion of it could be controlled if the pupil/teacher ratio could be raised"(Coleman and Stern, 1971, p.11).

Thus at a time when controlling educational costs was being given top priority by the Economic Council of Canada (1970), the financing system in Manitoba, although apparently intended to control costs, was predictably not going to be successful.

C. Policy Influences 1971-1976 : The Research Study

The research study was conducted in 1971-1972, and was jointly sponsored by the Manitoba Department of Education and the Manitoba Association of School Trustees. It was conceived as a search for policy alternatives, with equalizing educational opportunity as the prime policy objective. Thus the original purpose of the study was to determine to what extent inequalities in educational opportunity existed in Manitoba, and to propose ameliorative policies to provincial policy-makers. Equality of educational opportunity was considered to exist when educational services and resources were provided in such a way that access to them was distributionally equal across the province; conversely, inequalities were considered to exist when access varied consistently, on a basis other than need, for students in the province.

The method adopted was to present data on 9 different educational services and resources, by size of school division. This presentation showed that students in larger school divisions, generally urban, had substantially higher

levels of access. These varied in size by service, but the direction of advantage or disadvantage was constant (see Chart I). There was no evidence that the discrepancies were positively associated with need differentials, and in fact some evidence to the contrary.

The second portion of the study examined the financial aspects of existing inequalities in access to services. The financial statements of school divisions revealed that small divisions generally spent less per student, and that a larger proportion of their expenditures was directed to support services. Thus expenditures on instruction were very substantially lower in those divisions providing relatively low levels of service. The costs associated with improving service provision in the small divisions, and their limited wealth, suggested that only an increased share of provincial resources could give them the financial power to improve the provision of educational services. However, the retention of at least the existing degree of local autonomy was a policy objective only slightly less important than power equalization.

As a consequence, the study became, rather unexpectedly, a review of provincial financing policies, and alternatives to these. The ineffectiveness of the Foundation Program in providing a reasonable standard of basic services was revealed by the range of expenditure levels, in which small, rural divisions with low balanced assessments per pupil were invariably at the bottom. Table A shows revenue per student, and a measure of local effort. The groupings of school divisions by size as used in the services chart have been collapsed into two: divisions with 6001 students or more (Group B; all urban except one), and divisions with 6000 students or less (Group A; all rural except two).

Chart I

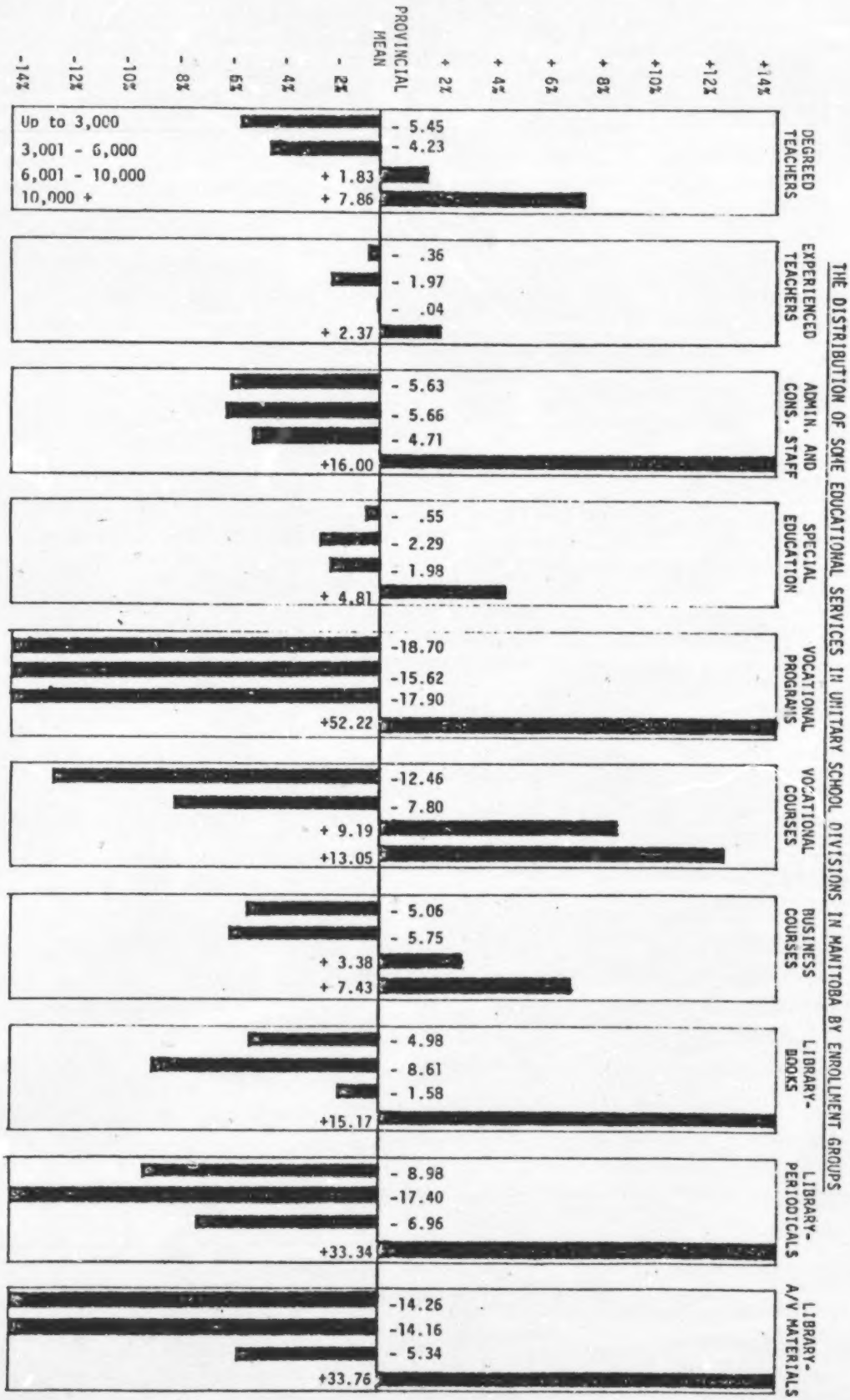
THE DISTRIBUTION OF SOME EDUCATIONAL SERVICES IN UNITARY SCHOOL DIVISIONS IN MANITOBA BY ENROLLMENT GROUPS
PROVINCIAL MEAN
-14% -12% -10% - 8% - 6% - 4% - 2% + 2% + 4% + 6% + 8% +10% +12% +14%
Up to 3,000
3,001 - 6,000
6,001 - 10,000
10,000 +
DEGREED TEACHERS
- 5.45
- 4.23
+ 1.83
+ 7.86
EXPERIENCED TEACHERS
- .36
- 1.97
- .04
+ 2.37
ADMIN. AND CONS. STAFF
- 5.63
- 5.66
- 4.71
+16.00
SPECIAL EDUCATION
- .55
- 2.29
- 1.98
+ 4.81
VOCATIONAL PROGRAMS
-18.70
-15.62
-17.90
+52.22
VOCATIONAL COURSES
-12.46
- 7.80
+ 9.19
+13.05
BUSINESS COURSES
- 5.06
- 5.75
+ 3.38
+ 7.43
LIBRARY-BOOKS
- 4.98
- 8.61
- 1.58
+15.17
LIBRARY-PERIODICALS
- 8.98
-17.40
- 6.96
+33.34
LIBRARY-A/V MATERIALS
-14.26
-14.16
- 5.34
+33.76

TABLE A

REVENUES PER STUDENT AND LOCAL EFFORT IN MANITOBA'S UNITARY SCHOOL DIVISIONS, BY ENROLMENT GROUPS, 1970

GROUP & NO.		TOTAL NO. OF STUDENTS	AVG.REVENUE PER STUDENT	AVG. OTHER REV.PER STUD.	AVG. LOCAL REV. PER STUDENT	AVG. BAL. ASSESSMENT PER STUDENT	AVERAGE LOCAL EFFORT
			$	$	$	$	
A	31	91,330	623.73	510.27	113.46	7,020	16.16
B	9	126,236	690.21	484.84	205.37	9,555	21.49
Prov.	40	217,566	662.31	495.52	166.79	8,491	19.64

(Based on Coleman, 1972)

Several conclusions can be drawn from this table:

1. Small, and rural, divisions spent less than large divisions although the smallest encounter high costs to provide relatively poor levels of service. This is a common phonomenon (see Coleman, 1972). Note that although these are revenue figures, they predict expenditures very accurately.

2. Other revenue, very largely derived from provincial grants, varied little between school divisions. However, rural divisions received a tied grant for transportation, averaging over $100.00 per pupil. If this is excluded, they received considerably lower grants than urban divisions to meet costs of instruction.

3. Local revenue varied a good deal, as did local effort, which was higher in the larger and wealthier school divisions.

The main policy objective proposed was equalization of services via equalization of financial power. This was to be accomplished by a grant formula based on the "inverse allocation" principle, with Balanced Assessment per Student as the measure of wealth. The lower the BAPS, the larger the grant.

D. Policy Shifts, 1971 - 1976: Policy Statements of Three Educational Organizations.

In 1971-1972, a series of meetings was held by representatives of the three educational organizations already discussed, and those of the Manitoba Association of School Business Officials, and these meetings resulted in an agreement to establish a standing joint committee to study educational finance issues and prepare joint policy positions. This committee made its first joint presentation to the Minister of Education in November, 1972 (Interorganizational Committee on Education Finance, 1972).

The existing foundation grant program was criticized: "The greatest difficulty experienced with provincial grants towards education is that they tend to be inflexible because they are determined at a particular point in time and are based on assumptions which may quickly lose their validity" (p.23). This is recognizably the same criticism as was made by the Manitoba Teachers' Society and the Manitoba Association of School Trustees in policy positions already described. The general relationship between costs and grants was mentioned in connection with local autonomy: "in 1972 nearly half of the total cost of public school education was financed by property taxation. The Committee believes that local financing could be reduced considerably without a detrimental effect on local autonomy" (p.14). For the Manitoba Teachers' Society this represents a considerable strengthening of their position on local autonomy.

But the major shift in the positions of the organizations concerns the new priority given to equality of opportunity. Five major objectives are listed for an educational finance system:

1. To provide for an educational service for which the public is prepared to pay.
2. To provide greater educational opportunity to pupils in all parts of the province.
3. To distribute tax resources in a manner designed to apportion the finan-

cial cost for education more fairly.

4. To maintain a meaningful measure of local control by the public school system.

5. To obtain the best possible returns for the money spent, making effective and efficient use of human resources and material.

Of these, numbers 2, 3 and 4 are recognizably the equalization and local autonomy objectives of the finance study. The commentary provided for number 2 also makes reference to service inequities:

> "It must be pointed out that equality of opportunity means something more than equality of expenditures. Greater financial input will be required in order to provide equal opportunities for disadvantaged children or for those who live in areas where services are more difficult to provide" (p.9).

Perhaps most significant is the section of the report dealing with property taxation:

> "Comparing school divisions having high assessments per pupil with otherwise similar divisions having low assessments per pupil points up the obvious inequality of educational services being provided" (p.18).

This is of course faulty logic, since direct comparisons of service availability are necessary to support this conclusion. It is astonishing that several months after the research study had been completed and some 500 copies circulated widely to every school division and educational organization in the province, no reference should have been made to the chart (Chart I) illustrating the existing service inequities. However, it is clear that considerations of equality of opportunity and its relationship to assessed values per student were now being seriously considered by the organizations for the first time.

The Interorganizational Committee continued to meet, and in October 1973 presented another report to the Minister of Education. However, this adds nothing to the 1972 report except the suggestion that "regional and inter-divisional sharing of

services and facilities" might improve efficiency. This emphasis on regional service provision was a major recommendation of the research study.

The next joint submission to the Minister of Education was made in 1976, but in the interim the organizations revised and refined their policy positions. The Manitoba Association of School Trustees continued to make annual presentations on policy issues, based on convention resolutions. For example, Resolution No. 2 at the 1972 convention asked the government to revise the grant structure "in such a manner that increases in property tax for education should not be necessary"(M.A.S.T., 1973). In 1974, there were more than 20 resolutions calling for changes in grants or taxation policies. The level of concern was such that school board chairmen were called to a meeting scheduled with the Premier and the Minister of Education. However, the Premier did not attend and no concessions were won from the Minister of Education, who did comment on the equalization issue:

> "In regards to assistance to less affluent divisions, the Minister felt that the student equalization grants have offered some assistance. The government hopes to offer whatever assistance it can in the most equitable manner. The Minister went on to say that the Department of Education is looking at various formulae for funding education; however, the identical level of support would be offered as through the present student equalization grants" (from unpublished notes on the meeting).

The reference here was to a new grant, the equalization grant, introduced in 1974 (see next section).

Perhaps the most revealing test of M.A.S.T. policies in this period came in an exchange between the Executive and the Premier in 1975, on the occasion of the presentation of the 1975 resolutions to representatives of the cabinet. In response to the repeated criticisms regarding the declining levels of provincial support for education, the Premier asserted that the Manitoba Property Tax Credit

Plan, a system of property tax rebates made directly to homeowners, had provided a grant amounting to $75.5 million in 1975, of which 90% could be considered a grant to alleviate local costs of education (from unpublished notes of the meeting).

The M.A.S.T. representatives then raised the equalization issue, and the Premier asked if the Association wanted additional equalization effort. The reply was evasive. Clearly the Interorganizational Committee's strong stand on equalization was not representative of at least the M.A.S.T. executive's views.

This shift is made even clearer in the presentation of 1976 resolutions to Cabinet. At this point M.A.S.T. was advocating a return to a Basic Program form of funding, in which equalization as a principle is completely abandoned, and in effect a flat grant to all divisions is advocated. Given the enormous rise in local costs of education, especially in poorer divisions (see next section) this is an astonishing position for the Association to take. It is especially surprising in view of the continuing advocacy by the Interorganizational Committee of equalization approaches. There is every indication in the public statements of the Manitoba Teachers' Society and the Manitoba Association of School Superintendents, the other main participant, of full commitment to the Committee position. For example, the Manitoba Association of School Superintendents presented a brief to the Minister in September, 1974, advocating a position on equalization directly drawn from the research study proposal:

> "Whereas school divisions indeed find it necessary to raise some portion of their budgetary needs by special levy and the great differences in assessment base require some divisions to impose much higher mill rates than other divisions in order to raise the same amount per teacher or per pupil and
>
> Whereas this inequitable situation violates the principle that the resources available for a pupil's public education should not depend upon the wealth of the pupil's parents or neighbors
>
> BE IT RESOLVED that the Manitoba Association of School Superintendents recommend to the Minister of Education that the amount per pupil which would

be raised by special levy in any school division be supplemented by provincial funds to equal the amount per pupil which would be raised by the same special levy mill rate in the division with the highest assessment per pupil, and that if this level of supplement be unacceptably costly this policy be implemented by paying some fraction, as for example one half, of the supplement determined by this calculation or by supplementing the amount per pupil raised to some appropriate dollar figure to be determined annually by the Minister."(M.A.S.S., 1974)

The 1976 report of the Committee, now known as the Advisory Committee on Education Finance, recommended a system providing 4 main grants, as follows:

1. A teacher salary grant, calculated as before, but with a 21:1 PTR.
2. A per pupil block grant replacing the existing series of miscellaneous operating grants, and set at $310.00 for 1977.
3. Transportation grants to cover all costs.
4. Equalization grants based on the principle that one mill raises the same amount of money per pupil in each division.

The explanation of the equalization grant is worth giving:

"Accordingly, the Committee recommends a per pupil equalization grant according to the following formula:

$$\text{PER PUPIL GRANT} = \text{PER PUPIL SPECIAL LEVY} \times \left(1 - \frac{\text{DIVISION'S BAPP}}{\text{STANDARD BAPP}}\right)$$

where:
- Per pupil Special Levy is determined by dividing the monies raised by the actual 1976 special levy by the 1976 fall budgeted enrollment.
- Division's Balanced Assessment Per Pupil (BAPP) is determined by dividing a projected 1977 balanced assessment (based on a growth of the same percentage over 1976 as the assessment grew in 1976 over 1975) by the 1976 fall budgeted enrollment.
- Standard Balanced Assessment Per Pupil, as recommended by the Committee, is $15,000" (Advisory Committee on Education Finance, 1976, p.32).

In essence, the Committee's recommendations are now those of the research study, with the exception of the teacher grant, which is apparently retained because of fears of teacher employment reductions if salaries are not directly subsidized. The balance between the various grants recommended by the Committee is compared with that recommended in the research study in Table B.

TABLE B

Type of Grant	ADVISORY COMMITTEE 1976 Foundation Program Recommendations		RESEARCH STUDY 1971 Division Revenue from Provincial Grants*	
	Dollars	%	Dollars	%
Salary Grant	79,636,039	41.1	2,583,525	84.2
Miscellaneous (per Pupil and Other)	72,534,014	37.4		
		78.5		
Equalization	27,120,260	14.0	266,296	8.7
Transportation	14,597,342	7.5	217,560	7.1
Total	193,887,655	100.0	3,067,381	100.0

*Calculated for the average school division in 1970, based on Coleman, 1972.

The Committee's recommendations would be more strongly equalizing than those of the research study , but the disparity between rich and poor divisions has grown since 1970, certainly justifying this emphasis.

To the extent that the Advisory Committee recommendations are truly representative of the positions of the three organizations studied in this section, it seems clear that the policy objectives and the mechanisms proposed in the research study have been accepted as valuable. However, the provincial government's response to the Committee, desribed in the next section, is less encouraging.

E. THE SITUATION IN 1976

The major shift in provincial policies can be easily documented by contrasting the pattern of grant allocation in 1976 to that of 1972 (already given).

TABLE C

COMPARISON OF GRANTS TO SCHOOL DIVISIONS,

BY CATEGORY, 1976 AND 1972.

	1976		1972	
Salary Grant	76,697,809	(51.7%)	70,764,128	(63.8%)
Miscellaneous	48,846,487	(32.9%)	30,713,132	(27.7%)
Equalization	10,124,665	(6.8%)	-	
Small Schools and Declining Enrollment	1,226,229	(0.8%)	-	
Transportation	11,542,225	(7.8%)	9,471,118	(8.5%)
Total Grants	$148,437,415	(100.0%)	$110,948,378	(100.0%)

The salary grant has somewhat decreased in overall importance, with the increases in levels of the miscellaneous grants being partially responsible for this, and the new equalization grant accounting for the balance. The equalization grant is only a small fraction of the total (6.8%), and grants are in general a very much smaller percentage of revenue in 1976 (1971: 67%; 1976: 49%).

The nature of the new equalization grant is quite consistent with the proposal contained in the research study. The press release describing the 1976 version presents it thus:

> "Mr. Hanuschak also announced changes in the equalization grant formula, which will increase the per-pupil equalization grants to low-assessment school divisions but decrease the grants for higher-assessment divisions. However, under the combined per-pupil and equalization grants, even the highest-assessed divisions will receive more than last year.

> The new formula provides for grants of $20 per pupil for divisions with a balanced assessment per pupil of $11,500 or more, increasing by stages of $15 per category (eight categories) to $125 per pupil for divisions with a balanced assessment per pupil of under $5,500" (Manitoba Government News Service, 1976).

However, the impact of this policy shift on the revenues of poor school divisions has been rather minimal. Table D compares revenues and local effort, 1970 and 1976, in an attempt to assess this impact. The small rural divisions had a slightly larger share of the students of the province in 1976. Their revenues per student had grown by 174%, but those of the larger urban divisions had grown by 207%. In other words, the gap between rich and poor has widened despite the new equalization grants.

The reason is not difficult to locate: the equalization grant, at under 7% of total allocations to divisions which are themselves a much smaller percentage of costs, is simply not effective. This problem was envisaged in the original proposal (Coleman, 1972, p.122) and it was suggested that a careful balance between flat grant levels and equalization grant levels would have to be maintained.

The 1976 report of the Advisory Committee had recommended equalization grants amounting to 14% of all grants, presumably because a lower level would not be effective. It would seem that the M.A.S.T. evasiveness regarding the desirability of further equalizing (see p.15) may have influenced the Premier, who as Finance Minister must clearly be largely responsible for Government policy changes in education finance. In any event, it is indisputable that the level of equalization provided by the Government to date has been ineffective, not even allowing poor divisions to maintain the 1970 status quo. It seems unlikely that any significant equalization of services and opportunity has taken place.

TABLE D

COMPARISON OF REVENUES BY SOURCE AND LOCAL EFFORT IN MANITOBA SCHOOL DIVISIONS, 1970 and 1976

GROUP & NO.		TOTAL NO. OF STUDENTS			AVERAGE PROVINCIAL AND OTHER REVENUE PER STUDENT			AVERAGE REVENUE PER STUDENT		
1970	1976	1970	1976	GROWTH (DECLINE) %	1970	1976	GROWTH (DECLINE) %	1970	1976	GROWTH (DECLINE) %
					$	$		$	$	
A 31	A 38	91,330	94,112.6	103.05	510.27	590.19	115.66	623.73	1,087.33	174.33
B 9	B 9	126,236	112,745.0	(89.31)	484.84	660.93	136.32	690.21	1,428.94	207.03
Prov. 40	47*	217,566	206,857.6	(95.08)	495.52	660.10	133.21	662.31	1,331.29	201.01

GROUP & NO.		AVERAGE LOCAL REVENUE PER STUDENT			AVERAGE BAL.ASSESS./STUDENT			AVERAGE LOCAL EFFORT		
1970	1976	1970	1976	GROWTH (DECLINE) %	1970	1976	GROWTH (DECLINE) %	1970	1976	GROWTH (DECLINE) %
		$	$		$	$				
A 31	A 38	113.46	497.14	438.16	7,020	9,958	141.85	16.16	49.92	308.91
B 9	B 9	205.37	768.01	373.96	9,555	12,507	130.89	21.49	61.41	285.76
Prov. 40	47*	166.79	671.19	402.42	8,491	12,041	141.81	19.64	55.74	283.81

(Based on Coleman, 1972, and MAST, 1976)

* Data includes some new unitary divisions.

F. The Influence of Research on Policy Change

The data reported suggest that the research study carried out in 1971-1972 had some influence on government policies with regard to the financing of education in Manitoba. This influence is best characterized as indirect, uncertain, relatively ineffective and, above all, delayed.

That the influence was indirect has been demonstrated by the review of the positions adopted by three important educational organizations. All show signs of being influenced by the research study, especially in the recommendations put forward by the Interorganizational Committee. Demonstrably, the concerns and the approaches to education finance changed somewhat after the study, most notably in the new emphasis on equalization. The course of events reviewed here suggests strongly that the evidence regarding inequalities in the distribution of services, and the financial correlates of these, influenced the organizations and it seems to have been their policy shifts which influenced the government.

The uncertainty is illustrated in the wavering position of the Manitoba Association of School Trustees. The original research study was largely funded by the Association, since the author was on the Association's staff during the year in which the report was written. There is no doubt that the small rural divisions are being disadvantaged by the present financing system, and yet the Association's position with regard to equalization has never been strong, and currently is quite unclear. Since the small divisions enjoy disproportionate voting power in the Association, this apparently signifies that these divisions' representatives do not understand the importance of the issue to them.

The relative ineffectiveness of the research study and its influence is demonstrated by the widening gap between the rich and poor divisions. It is clear that the Government has preferred the tax rebate directly to property taxpayers to any

major financial commitment to equity in the grant system, perhaps on the grounds that larger grants to poor divisions would accelerate increases in expenditures when this was undesirable. Tax rebates might thus be considered less inflationary than additional grants to divisions. However, the general rise in costs has clearly been largely the result of more spending by the wealthier divisions, and hence fears that higher grants to poor divisions would accelerate educational cost escalation are probably unfounded. A more obvious explanation is that direct tax rebates to property taxpayers are politically more productive of goodwill than an equitable grant system, which is difficult to explain to voters.

The indirectness, uncertainty and relative ineffectiveness of the relationship between the research study and policy change are all asscciated with the delayed effect. In this instance, the delay in implementing the appropriate policies is particularly unfortunate, since implementation has been so slow that the impact of the small equalization grants has been swallowed up in the general inflation of education costs. As a consequence, the main policy objective of the research study, promoting equalization of services via financial power equalization, has certainly not been achieved.

This case study provides some support for a number of generalizations which policy scientists have proposed in recent years. Three of these can be reviewed briefly, with reference to the case study, and to some tentative conclusions regarding the relationship between policy researchers and policy-makers.

Lindblom has maintained that the "serial" and "incremental" approach to policy change is both characteristic of public policy and rationally defensible (1968). Unfortunately, in this instance, the approach has virtually nullified the main benefits to be derived from the policy shift. For a policy researcher, this outcome is perhaps the most frustrating of all, since the policy-maker apparently

accepts the validity of the research, but does not give the researcher the satisfaction of making an immediate visible contribution to the improvement of public policy.

The second generalization supported by the case study concerns power or influence. It can be stated thus: decision-making in education is characteristically influenced by many individuals and groups, and thus power (or influence) is widely distributed. Policy decisions are incomprehensible unless this range of sometimes competing pressures and influences is kept in mind (see Coleman, 1977 for a discussion of this thesis with reference to the politics of Canadian education). For policy researchers this implies that their recommendations are only likely to have an impact when they are supported by influential individuals or groups.

The third generalization concerns the issue of technical efficiency versus representative government. In educational decision-making the early twentieth century reformers argued for more technical competence and less political responsiveness. Currently political scientists are advocating more participation and less technical efficiency, even at the cost of some institutional effectiveness; it is more important for educational organizations to look good than do good.

There is evidence that recent studies have exaggerated the importance of the administrator versus politician, technical competence versus political responsiveness opposition (Boyd, 1975). In fact, administrators are necessarily politically responsive: "The administrative process is one of our political processes . . out of which comes a consensus that approximates the public interest (Mainzer, 1973, p.71). If "policies are the operational statements of values" (Kogan, 1975, p.55) and the values of administrators, politicians, and the communities they represent

are congruent, then what seems to be cooptation in policy-making may be in fact the cooperation of likeminded people (Boyd, 1975).

The case study sheds relatively little light on this issue, because the policy recommendations of the administrators involved remain confidential. The grudging, cautious and incremental approach which resulted from the administrative process in this case may well have been the result of spending priorities in government, rather than any administrator/politician clash of values. Thus the events described here are not an illustration of the scenario in which bungling officials conspire with politicians to sabotage the disinterested policy proposals of academic researchers.

One further point can be made. The expectations which policy researchers hold for the reception of their proposals by policy-makers should certainly include such familiar notions about the policy-making process as those described here. The failure to implement even sound policy proposals is not in itself evidence of insanity, malice, or lack of concern amongst policy-makers.

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